



TOP STORIES
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Domino e-Commerce Site Matches Federal Clients with IT Vendors [Jul 25]

Benefits of the GSA system

- Virtually eliminated paper
- Cut procurement time from 26 days to 12
- Cut financial transaction time from average 29 to 7 days
- Customers check status in real time
- Revenue increased by \$1 billion with minimal increase in staff

GSA's mission: save the tax payer money

In 1949 when the federal government established the General Services Administration (GSA) to save tax-payer money by consolidating purchasing across all U.S. federal government agencies, no one could have imagined the latest cost-saving method -- a Domino-based e-commerce site that matches federal clients with vendors of IT products and services.

GSA consolidates purchasing and requirements across all U.S. federal government agencies, including the armed forces. GSA clients take advantage of the economies of scale and reduced duplication of expertise, saving millions of dollars each year.

A branch of the GSA, the Federal Technology Service (FTS) provides government clients worldwide with value-added IT products and services, including telecommunications networks, IT systems, computer hardware and software, and consulting services. All technology solutions for the U.S. government can be potentially handled through FTS. In 1999, FTS generated over \$3.4 billion in revenues with approximately 600 employees operating in 11 regions.

Reaching all of the audience

According to David Griffin, IT Solutions Shop Project Manager with the Federal Technology Service of the GSA, the government procurement process, which matches thousands of federal clients with potential suppliers of IT goods and services, was by nature labor- and paper-intensive. With a federal push to reduce costs and streamline staff, automation was the answer. Moreover, the Web was the ideal platform to reach users and industry partners who span the globe.

Goals: replace paper, provide secure access . . .

In creating a system to automate the vast and varied procurement process, Robert Suda, FTS's Assistant Commissioner for IT Integration and Mary Whitley, FTS's Assistant Commissioner for Sales worked closely with Griffin to define objectives:

- To replace a paper-driven process with an automated system that would log all transactions and provide sophisticated business intelligence and real-time reporting.
- To provide a consistent business process for all FTS users, accelerating the procurement process and delivering predictable results.

- To create a single point of entry on the Internet where clients, industry partners and FTS service and finance representatives could do business.
- To boost efficiency by giving clients, industry partners and FTS staff 24x7 access to the system to track order status and keep workflow moving ahead.
- To provide highly secure, personalized access and views of order and status information.

**Using Domino
"Contracting officers
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and to the customer
online."**

David Griffin,
IT Solutions Shop Project
Manager with the Federal
Technology Service of
the GSA

Domino handles \$2 million in orders daily

GSA looked to Lotus Premier Partner TechFlow, Inc. for help. The result is the award-winning IT Solutions Shop (ITSS), a secure, online real-time e-commerce system that facilitates order processing within a centralized solution. Rolled out to GSA offices nationwide in late 1998, ITSS leverages the flexibility, security, and scalability of Lotus Domino 5.0 to handle \$2 million in new orders daily. Built to accommodate a large volume of transactions, ITSS currently tracks over 15,000 orders worldwide worth over \$3 billion, and manages 20,000 funding documents in excess of \$4.5 billion. In short, ITSS transforms a complex government process into an efficient and easy-to-use Web application.

Registered clients across the U.S. federal government now log onto the ITSS Web site to place an order for IT goods and services, which can be anything from computer monitors to complete network installations. Since the system recognizes clients and knows where they operate, their task is reduced to completing a few online fields on a bill of materials, which they submit to GSA FTS by clicking a button.

Workflows speed order process

The new order is automatically placed in the system and the appropriate GSA customer service representative (CSR) is alerted via e-mail. The CSR can immediately review the order in the system, perform a search to match the appropriate industry partners to the request, and submit a request for a quote (RFQ) to any number of vendors via e-mail.

Shopping the world for goods and services

Selected GSA industry partners receive e-mail notification of opportunities with a link to the ITSS site for details, and can complete the RFQ and submit it to ITSS online. "Our partners are pleased because we now proactively notify them when there's an opportunity," says David Griffin. Because Domino readily accepts information in many forms from many sources, it easily accommodates industry partner files. "Vendors all over the world have sophisticated quote generation systems," explains Griffin, "We allow them to generate the quote in the manner they've done in the past. Then they just attach it to the form in IT Solutions Shop."

Once bids have been gathered, ITSS gives the GSA customer service representative the ability to create a market analysis document. This form automatically ranks competing bids by price, with links to the detailed quotes for more insights on warranty, training, brand name and other factors that add up to best value for the dollar. When a winning bid has been selected, the order is routed to the finance department to secure funding. With this

approval it flows automatically to the contracting department. "Contracting officers can create the purchase order online, electronically sign it, and send an e-mail message to the winning industry partner," explains Griffin. "Then the purchase order is available to the vendor and to the customer online."

ITSS has virtually eliminated the use of paper during the order process while slashing the time it takes to complete procurement by up to 200%.

"Domino was a natural for us. By moving IT Solutions Shop to a browser-based model, we eliminated the need for any special software or hardware for industry partners and clients to participate in the system. And that was significant. Domino facilitated the ability to go out to a larger audience -- without any special requirements."

Robert Baum,
president of TechFlow

Browser-based model for greater reach

IT Solutions Shop was built using Lotus Domino Server 5.0, Lotus Notes Designer and the Lotus Notes client. Says Robert Baum, president of TechFlow, "Domino was a natural for us. By moving IT Solutions Shop to a browser-based model, we eliminated the need for any special software or hardware for industry partners and clients to participate in the system. And that was significant. Domino facilitated the ability to go out to a larger audience -- without any special requirements."

Faster order processing

The amount of paperwork and time required to place an order, check status and pay an invoice has been reduced by over 80%. According to Baum, "Now, over the Internet an order can be placed and responded to and awarded in one or two days. In some cases one or two hours." ITSS also leverages Domino's integration capabilities by interfacing with GSA's back-end financial system to facilitate financial approvals and billing. "When you take IT Solutions and the back-end financial system as a whole, we've reduced our processing time for purchase orders and invoices from an average of 29 days down to 7 days," says Griffin.

Comprehensive customer service

CSRs now have every order and contract at their fingertips. The system enables them to search by order number, status, company, vendor and more. In seconds they can pull up data on every account, client and contractor in the system, provided that they have authorization to do so. This empowers the CSR to provide outstanding service and support to their government clients, literally keeping current on thousands of orders, while maintaining a close relationship with the industry partners supplying IT goods and services. And that ultimately means increased competition and better prices for GSA clients.

A Surge in productivity

Since the implementation of ITSS, productivity and revenues are up while the workforce has grown very little. According to Griffin, since early 1999, "we've increased over a billion dollars in revenue with an increase of less than 50 equivalent employees."

ITSS also encourages a standard business procedure across all GSA regions while giving participants nonstop access to the work at hand. As Baum points out, "It is not dependent on an 8 to 5 workday on the East Coast. You can get updates 24 hours a day." Griffin agrees, "We do a lot of business in the Far East. For GSA to deal with someone in the Pacific Rim, you have a very small window of time to conduct business. So this provides a huge benefit for customers to submit their requirements. When the GSA rep comes in the morning, it's there. Customers can also check status in real time."

Real-time business intelligence

"Where ITSS really pays off for GSA is on the management level, building real-time business intelligence," says Griffin. Now, with ITSS, management can track the volume of business by region, by agency or by industry partner. "Today if the Commissioner of FTS wants to look at orders by government agency, he can not only see the kinds of orders being placed, he can also see anything specific," notes Griffin. The system can roll these figures into top-level reports, enabling GSA to track its many measurable successes. "Our procurement times have been reduced from 26 to 12 days average. That's all calculated on the fly in the system in real time," says Griffin.

What's ahead for IT solutions shop

ITSS is ready to keep up with technology and administrative changes at GSA. When a common database is implemented in the near future, ITSS will be able to share data with that system thanks to system updates developed by TechFlow in collaboration with Suda, Whitley and Griffin. "The common database will take business intelligence to the next level," explains Griffin, "And that can be integrated with other areas to provide the true picture of what's being accomplished at GSA." ITSS will also integrate with a new back-end finance and accounting system, dubbed NEAR/PEGASYS and with a unified database of registered contractors, currently being developed by the Department of Defense. In this way, ITSS will make sure that GSA employees have access to the latest information to do their jobs.

RESULTS

Since the launch of the Lotus Domino-based IT Solutions Shop, GSA FTS has:

- Linked over 7,000 federal clients and 6,000 industry partners with 600 GSA customer service representatives in a completely paperless automated ordering system accessed by all users over the Internet.
- Reduced procurement time by 33% to 200% -- from an average of 26 days down to just 12 days, while reducing data entry errors.
- Decreased financial transaction time from 29 days average to 7 days, resulting in fewer interest penalties.
- Increased business volume by nearly \$1 billion with minimal increases to staff.